F.Y.I.

FOR YOUR INFORMATION

UNEMPLOYMENT RATES OF SURROUNDING STATES

A frequent question fielded by the Idaho Department of Labor economists centers on how Idaho's unemployment rate compares with surrounding states. Using seasonally adjusted rates, FYI Table 1 (below) provides the answer.

FYI Table 1: Western States Unemployment Rates

Area	May 2001	Mar 2002	Apr 2002	May 2002
Idaho	4.9	5.5	5.2	5
California	5.1	5.2	5.3	5.3
Montana	4.6	4.6	4.6	4.1
Nevada	4.8	5.8	5.5	5.5
Oregon	6	7.9	7.5	7.3
Utah	4.1	6	5.8	5.3
Washington	6.1	6.8	7.2	7.1

**Source: US Bureau of Labor Statistics, June 21,2002*

Each state has quite different economies, but nearly every state has experienced year-over-year increases in their unemployment rates, except Montana and Idaho. In recent months, both Oregon and Washington have had the highest unemployment rates among these western states, due largely to the downturns in high-tech manufacturing and aerospace. These states also have experienced employment losses in their natural resource industries, as has Idaho. Nevada's tourism industry was adversely effected by the 9-11 terrorist attacks. Utah reports softness in its computer and communications industries as well as an expected post-Winter Olympics slowdown in construction.

More detailed information on these states (and all states) can be accessed through the Idaho Department of Labor's Internet site: http://www.jobservice.us/id-state.htm.

REMEMBER Y2K? IT WAS A GOOD YEAR FOR IDAHO'S ECONOMY!

Gross State Product (GSP) is a statistic calculated by the U.S. Bureau of Economic Analysis (BEA) and is defined as the value added in production by the labor and property located in a state. BEA recently reported that Idaho ranked second among states in the percent change, or growth, in real GSP from 1999 to 2000. Idaho's increase was 8.3 percent while the nation's was 4.5 percent. Rhode Island was the highest ranking state with a 10.7 percent increase.

Idaho's GSP growth was fueled by robust growth in production value generated by the state's manufacturing sector, particularly the electronics manufacturing industries. *Manufacturing* contributed 22.3 percent to the state's GSP increase. FYI Table 2 (above) lists the percent change in real GSP by major aggregate industry groups for Idaho and the nation.

FYI Table 2: Percent Change in Real GSP by Major Industries, 1999-2000

Industry	United States	Idaho
TOTAL	4.5	8.3
Ag., Forestry, Fishing	8.4	5.8
Mining	-15	-8.2
Construction	2.5	1.7
Manufacturing	4.1	22.3
Trans. & Public Utilities	6	6.4
Wholesale Trade	2.8	3.5
Retail Trade	7.4	7.7
Fin., Ins., & Real Estate	5.6	2.2
Services	5.1	6.8
Government	2.5	2.7

**Source: Bureau of Economic Analysis, June 10, 2002*

CENTENNIAL CELEBRATIONS

Two federal agencies that have substantial impact on Idaho's economy and public policy are celebrating their centennial anniversaries this summer. They are the U.S. Bureau of Reclamation and the U.S. Census Bureau. The following offers a brief synopsis and history of each agency.

BUREAU OF RECLAMATION

The Bureau of Reclamation is the largest wholesaler of water in the country, bringing water to more than 31 million people, and providing one out of five western farmers (140,000) with irrigation water for 10 million acres of farmland that produces 60% of the nation's vegetables and 25% of its fruits and nuts.

Reclamation is also the second largest producer of hydroelectric power in the western United States. Its 58 power plants annually provide more than 40 billion kilowatt hours generating nearly a billion dollars in power revenues and produce enough electricity to serve 6 million homes.

Reclamation has constructed more than 600 dams and reservoirs including the Hoover Dam on the Colorado River and the Grand Coulee on the Columbia River.

History

President Theodore Roosevelt signed the Reclamation Act on June 17, 1902. This set the stage for

the establishment of what was to become the U.S. Bureau of Reclamation. A month later, the original agency, the U.S. Reclamation Service, was established within the Division of Hydrography in the U.S. Geological Survey.

The Bureau has an interesting Internet Web site at http://www.usbr.gov/history/homepage.htm that contains the details of the bureau's history and projects. Some excerpts from the site's *"Brief History of The Bureau of Reclamation"* follow.

> Only about 2.6 percent of the earth's water supply is fresh, and some two-thirds of that is frozen in icecaps and glaciers or locked up in some other form such as moisture in the atmosphere or groundwater. That leaves less than eight-tenths of 1 percent of the earth's water, about 30 percent of fresh water, available for humankind's use. The largely arid American West receives a distinctly small share of that available supply of fresh water. As a result, water is a dominating factor in the arid West's prehistory and history because it is required for occupation, settlement, agriculture, and industry.
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> The snowmelt and gush of spring and early summer runoff frustrated early western settlers. They watched helplessly as water they wanted to use in the dry days of late summer disappeared down western watercourses. Settlers responded by developing water projects and creating complicated western water law systems, which varied in detail among the various states and territories but generally allocated property rights in available water based on the concept of prior appropriation (first in time, first in right) for beneficial use.
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> At first, water development projects were simple. Settlers diverted water from a stream or river and used it nearby; but, in many areas, the demand for water outstripped the supply. As demands for water increased, setters wanted to store "wasted" runoff for later use. Storage projects would help maximize water use and make more water available for use. Unfortunately, private and state-sponsored irrigation ventures often failed because of lack of money and/or lack of engineering skill. This resulted in mounting pressure for the federal government to develop water resources.
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> …A tradition of government subsidization of settlement of the West was long-standing when the Congress in 1866 passed "An Act Granting the Right-of-Way to Ditch and Canal Owners over the Public Lands, and for other Purposes." A sampling of subsequent congressional actions promoting irrigation reveals passage of the Desert Land Act in 1877 and the Carey Act in 1894 which were intended to encourage irrigation projects in the West…. Then, in 1890 and 1891, the Congress passed legislation reserving rights-of-way for reservoirs, canals, and ditches on lands then in the public domain. However, westerners wanted more; they wanted the federal government to invest directly in irrigation projects. The reclamation movement demonstrated its strength when pro-irrigation planks found their way into both Democratic and Republican platforms in 1900. In 1901, reclamation gained a powerful supporter in Theodore Roosevelt when he became president after the assassination of William McKinley.

President Roosevelt supported the reclamation movement because of his personal experience in the West, and because of his conservation ethic. At that time, conservation meant a movement for sustained exploitation of natural resources by man through careful management for the good of the many. Roosevelt also believed reclamation would permit "homemaking" and would support the agrarian Jeffersonian Ideal. Reclamation supporters believed the program would make homes for Americans on family farms. Passed in both Houses of the Congress by wide margins, President Roosevelt signed the Reclamation Act on June 17, 1902.

…During its early years several basic principles underlaid the reclamation program. The details have changed over the years, but the general principles remain: (1) federal monies spent on reclamation water development projects which benefit water users would be repaid by the water users; (2) projects would remain federal property even when the water users repaid federal construction costs (the Congress could, of course, choose to dispose of title to a project); (3) Reclamation generally contracted with the private sector for construction work; (4) Reclamation employees would administer contracts to assure that contractors' work meets government specifications; (5) in the absence of acceptable bids on a contract, Reclamation, especially in its early years, would complete a project by force account (that is, would use Reclamation employees to do the construction work); (6) hydroelectric power revenues could be used to repay project construction charges.

…Initially, overly optimistic about the ability of water users to repay construction costs, Congress set a 10-year repayment period. Subsequently, the repayment period was increased…ultimately to an indefinite period based on "ability to pay". Other issues that arose included: soil science problems related both to construction and to arability (ability of soils to grow good crops); economic viability of projects (repayment potential) including climatic limitations on the value of the crops; waterlogging of irrigated

lands on projects, resulting in the need for expensive drainage projects; and the need for practical farming experience for people to take up project farms.

…In 1928, the Boulder Canyon Act ratified the Colorado River Compact and authorized construction of Hoover Dam, which was a key element in implementation of the compact. Subsequently, during the Depression, Congress authorized almost 40 projects for the dual purposes of promoting infrastructure development and providing public works jobs. Among these projects were the beginnings of the Central Valley Project in California, the Colorado-Big Thompson Project in Colorado, and the Columbia Basin Project in Washington.

Ultimately, of Reclamation's more than 180 projects, about 70 were authorized before World War II….The last significant project construction authorization occurred in 1968 when Congress approved the Colorado River Basin Project Act which included the Central Arizona Project, the Dolores Project, the Animas-La Plata Project, the Central Utah Project, and several other projects.

The dam and canal building done in Idaho by the Bureau of Reclamation has brought water to otherwise arid or marginal crop-growing land. Most of the projects have been in Southern Idaho, on the Snake River and Boise River systems. Some of the more famous projects include: the Boise Project (Southwestern Idaho); Owyhee Project (Southwestern); Palisades Project (Northeastern); and the Minidoka Project (South Central). These projects have enabled Idaho to develop its substantial agricultural industrial base. Electric power and recreational opportunities afforded by these projects also are major contributors to Idaho's economy. However, there have been some negative results as well: water storage needs have led to reduced stream flows and degraded fisheries, and run-off water from farm lands often contain unwanted minerals and chemicals from fertilizers, pesticides, and herbicides.

CENSUS BUREAU

The U.S. Census Bureau, which collects and provides data about the people and economy of the United States, was established by Congress as the Census Office, within the U.S. Interior Department, in March, 1902. In 1903, the renamed Bureau of the Census was transferred to a new Department of Commerce and Labor. Today, the U.S. Census Bureau is an agency within the U.S. Department of Commerce.

A census of the nation's population was first done in 1790, shortly after George Washington was inaugurated as the first President of the United States. It was conducted because there needed to be a way to determine how many seats in the U.S. House of Representatives each state would have in order to comply with Article I, Section 2 of the Constitution which calls for apportionment among states based upon population. (However, it was a selective population in that it included all "free Persons," excluded Indians not taxed, and three-fifths of all other persons.) Another requirement stated that this count be done every ten years. The first census was conducted by marshals of the U.S. Judicial Courts.

In the first census, every household was visited and the name of the head of the family was recorded. Five additional pieces of information also were gathered to determine how many of the following resided in each household:

- Free White males of 16 years and upward (to assess the country's military and industrial potential)
- Free White males under 16 years
- Free White females
- All other free persons (by sex and color)
- Slaves

That first census of 1790 counted 3.9 million people. The 2000 census population count was 284.8 million.

Over the years and in keeping with the changing data needs in changing economic and demographic environments, the types of questions asked during the decennial census also have changed. Just as important, the census effort had to expand to encompass a growing population and addition of new states, territories, and other jurisdictions. Economic, housing, commuting, and migration patterns are a few examples of the items added to the census. Some of data needs are now being met through separate economic censuses. The U.S. Department of Agriculture now administers the Census of Agriculture, which records uniform data on agricultural production and operator characteristics for each county.

As the scope of the census expanded, so did the time necessary to compile and process the information. That is why the Census Bureau has been a pioneer in developing new data processing technology, ranging from using punch cards/sorting machines to adapting computers to data processing. The bureau also has repeatedly broken new ground in statistical and survey methodologies, such as probability sampling.

The required population census occurs every ten years. Yet, there is a critical need for current information, especially economic information. To meet this need, the Census Bureau conducts a monthly Current Population Survey (CPS) for the U.S. Bureau of Labor Statistics. A sample of households is questioned monthly about the employment status of household

members, and the results are used to determine the employment situation of the nation and states. The CPS also includes supplemental questions covering such things as school enrollment, fertility, migration, income and poverty, and computer use. The supplemental questions are not asked every month but are scheduled for certain times of the year, depending upon topic.

The Census Bureau is introducing a new survey, the American Community Survey, to obtain data that is now collected on the long form of the decennial census. Although responses will be solicited from a sample of households monthly, the data will be tabulated on an annual basis thereby providing the public with much more timely information than is now available.

In all, the U.S. Census Bureau conducts about 120 surveys a year and publishes about 1,500 reports a year. In addition, the bureau provides an extensive data bank on its Internet sites with the primary access point at: http://www.census.gov.

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FYI Table 3: Census Quick Facts

People QuickFacts	Idaho	USA
Population, 2001 estimate	1,321,006	284,796,887
Population percent change, April 1, 2000-July 1, 2001	2.10%	1.20%
Population, 2000	1,293,953	281,421,906
Population, percent change, 1990 to 2000	28.50%	13.10%
Persons under 5 years old, percent, 2000	7.50%	6.80%
Persons under 18 years old, percent, 2000	28.50%	25.70%
Persons 65 years old and over, percent, 2000	11.30%	12.40%
White persons, percent, 2000 (a)	91.00%	75.10%
Black or African American persons, percent, 2000 (a)	0.40%	12.30%
American Indian and Alaska Native persons, percent, 2000 (a)	1.40%	0.90%
Asian persons, percent, 2000 (a)	0.90%	3.60%
Native Hawaiian and Other Pacific Islander, percent, 2000 (a)	0.10%	0.10%
Persons reporting some other race, percent, 2000 (a)	4.20%	5.50%
Persons reporting two or more races, percent, 2000	2.00%	2.40%
Female persons, percent, 2000	49.90%	50.90%
Persons of Hispanic or Latino origin, percent, 2000 (b)	7.90%	12.50%
White persons, not of Hispanic/Latino origin, percent, 2000	88.00%	69.10%
High school graduates, persons 25 years and over, 1990	479,505	119,524,718
College graduates, persons 25 years and over, 1990	106,135	32,310,253
Housing units, 2000	527,824	115,904,641
Homeownership rate, 2000	72.40%	66.20%
Households, 2000	469,645	105,480,101
Persons per household, 2000	2.69	2.59
Households with persons under 18, percent, 2000	38.70%	36.00%
Median household money income, 1997 model-based estimate	$33,612	$37,005
Persons below poverty, percent, 1997 model-based estimate	13.00%	13.30%
Children below poverty, percent, 1997 model-based estimate	17.30%	19.90%

**Source: US Census Bureau*